

INFORMATION REPORT

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1. The so-called National Liberation Movement, created in Yugoslavia during the war, was organized in Moscow in accordance with the Lenin plan of helping national liberation movements throughout the world.
2. In accordance with the theory that the capitalistic system must be overthrown in the countries that are weaker, every move made in the colonial and semi-colonial countries (Yugoslavia is considered semi-colonial) after the party took over the various Governments, was made in accordance with, and with approval of, the party centers in Moscow. Furthermore, every move was calculated to further the "progressive elements" in the country. Accordingly every move or act of foreign policy had to pass the test that:
 - (a) it would be in accordance with the party policy,
 - (b) it would contribute to the struggle of "progressive forces" in other countries, and
 - (c) it would consolidate the acquisition of power by the party in Yugoslavia.

The Communist Party's internal measures designed to consolidate power in the Balkans therefore had to be approved by Moscow. These measures include the seizure of private enterprises and the methods of seizure, such as collaboration trials, nationalization, etc. In the phase of assuming and consolidating power in different countries the local Communist parties had to obtain approval from the central organ in Moscow of all proposed measures. Matters in which the party line was clearly defined were left to the local parties for decision.

3. The following incident indicates that no co-ordination was established between different parties in the Balkans on matters deemed vital to the party program: During the Paris Conference of August 1946 the Yugoslav Communist Party thought it highly important to transfer the Hungarian minority in Yugoslavia of approximately 400 thousand, largely male farmers called Kulaks by the party. The Communists regarded this minority as a potential source of opposition to the Government policy of bettering the lot of the farmers.

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A special Yugoslav envoy and an expert on the Hungarian Peace Treaty were sent to Hungary on a secret mission with a letter of introduction from Kardelj to Rakosi. The letter informed Rakosi of the Yugoslav plan and requested the support of the Hungarian Communist Party in persuading its Government to approve such a transfer, by either incorporating it in the peace treaty or drafting a special agreement between the two countries. An agreement was negotiated in Paris by an exchange of notes between Kardelj and Nagy. This agreement was moderated in several respects. Instead of removing the whole minority, an exchange of minorities was agreed upon, but the date of exchange was delayed considerably. The moderation of terms came as the result of the opinion, expressed by Rakosi and Professor Varga, that the support of the original plan would be detrimental to the Hungarian party and to the final aims of the Communist Party on the whole. At that time the co-ordination and collaboration of the different parties was not fully established. The Hungarian party declared that the Yugoslav plan was not approved by Moscow, thus clearly showing where the final decision lay.

4. On matters of less political importance such as border crossing and control, exchange of goods, restitution of property, visas, etc., there is no need of Moscow's approval, but no decisions made between two or more governments to further party aims can be made by the mere concurrence of agents of the respective governments. Prior approval must be obtained from Moscow.
5. In Albania the Communist party was short of Moscow-trained members and needed a competent intermediary so that officials in Moscow would not be bothered with trivial matters. They also needed engineers, doctors, etc. Although the Albanian Government, in 1946, seriously considered importing Italian advisors, Moscow chose Yugoslavia to fill the gap.
6. The repatriation program in Canada and the US, and the propaganda asking immigrants to return to Yugoslavia are designed to:
 - (a) Relieve Yugoslavia's acute shortage of skilled workers for her Five Year Plan.
 - (b) Induce the people to bring with them their holdings of foreign exchange (dollars) or agricultural and other machinery. The immigrants are encouraged to invest in such holdings prior to returning.
 - (c) To obtain intelligence information from the more "progressive elements,"

This last consideration however is of less importance than the other two, as the Yugoslavs can obtain the same information from other sources and from official statistics published by foreign countries.

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